IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS TYLER DIVISION

| INNOVATIVE AUTOMATION LLC | § | |
|----------------------------------|---|---------------------------------------|
| Plaintiff, | § | |
| | § | |
| V. | § | Civil Action No. 6:11-cv-0234-LED-JDL |
| | § | |
| AUDIO AND VIDEO LABS, INC. d/b/a | § | JURY TRIAL DEMANDED |
| DISC MAKERS, et al. | § | |
| Defendants. | § | |
| | | |

STIPULATION OF DISMISSAL BETWEEN PLAINTIFF INNOVATIVE AUTOMATION LLC AND DEFENDANT AUDIO AND VIDEO LABS, INC.

Plaintiff, Innovative Automation LLC ("Plaintiff"), and Defendant, Audio and Video Labs, Inc. ("Defendant"), file this Stipulation of Dismissal under Federal Rule of Civil Procedure 41(a)(1)(A)(ii). Plaintiff and Defendant (collectively the "Parties") stipulate as follows:

- 1. This is an action for patent infringement under 35 U.S.C. § 271 of U.S. Patent No. 7,174,362.
 - 2. Plaintiff brought this action against Defendant on October 7, 2011.
- 3. Plaintiff represents that it is the owner of all right, title, and interest in United States Patent No. 7,174,362, entitled "Method and System for Supplying Products from Pre-Stored Digital Data in Response to Demands Transmitted via Computer Network," issued by the United States Patent and Trademark Office on February 6, 2007 ("the '362 Patent"), and U.S. Patent No. 7,392,283, entitled "Method and System for Supplying Products from Pre-Stored Digital Data in Response to Demands Transmitted via Computer Network," issued by the United States Patent and Trademark Office on June 24, 2008 ("the '283 Patent").
 - 4. The Parties have settled their disputes in this litigation.
- 5. The Parties agree that any and all claims that have been brought or could have been brought by Plaintiff against Defendant, as well as all counterclaims that have been brought

or could have been brought by Defendant against Plaintiff, relating to the '362 Patent or the '283 Patent, on or before the date the Order of Dismissal of Defendant is signed by the Court in this Litigation are fully resolved and hereby dismissed with prejudice.

- 6. The Parties agree to bear their own attorneys' fees, legal expenses, and costs of court, if any, incurred in connection with this litigation.
- 7. The Parties agree that this Court retains jurisdiction over the Parties and the Settlement Agreement executed by the Parties for purposes of resolving any dispute that may arise thereunder.

Respectfully submitted,

/s/ Todd Kennedy

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CERTIFICATE OF SERVICE

I certify that I electronically filed the foregoing with the Clerk of Court using the CM/ECF system on October 31, 2012, which will send notification to the following counsel of record who are deemed to have consented to electronic service.

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